



30 June 2021

Attention: Director Employment Zones

NSW Department of Planning, Industry and Environment

Subject: Lake Macquarie Council Submission - Employment Zones Reform

Lake Macquarie City Council (LMCC) provides the following submission in response to the Employment Zone Reform package. Note that due to time constraints, this submission has been prepared by staff, and there has not been an opportunity for it to be reviewed by the elected council.

LMCC staff have been heavily involved with the Employment Zones Reform Project and commend the Department on the collaborative and open approach in developing this important planning reform. Council staff are supportive of the objectives of the reforms, and believe the reforms will work towards:

- Increasing certainty and consistency for all stakeholders;
- Facilitate strategic planning outcomes;
- Increase flexibility to support industry and businesses to respond to changing markets demands and external shocks; and
- Reduce roadblocks to innovative practices and businesses.

Council staff have reviewed the draft Position Paper, SLEP Amendment Order, Implementation Plan, and Land Use Matrix and highlight and support the following key reforms:

- Reduction in the number of employment zones;
- Increased flexibility and consistency in the application of zones;
- Additional definitions to support data centres, the circular economy, and creative industries;
- The introduction of a true mixed-use zone, and the SP4 Local Enterprise zone to facilitate council led planning outcomes for unique areas; and

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- The use of a self-repealing SEPP to implement the reform package.

The following comments relate to specific issues and potential improvements to the reform package for consideration by the project team.

1 Proposed Zones

Council staff are supportive of the proposed five core employment zones, and the two additional support zones. In particular the separation and protection of industrial areas to ensure the continued functionality and productivity of these vital employment districts is strongly supported.

The Position Paper includes a note that other zones may need to be renamed as a consequence of the reform package. Any ambiguity between the names of zones creates confusion within the community and industry and is should be avoided. LMCC staff suggest that alternative names are identified for the employment, or environmental zones to remove this conflict.

Below are some specific comments relating to individual proposed zones.

1.1 E1 Local Centre Zone

An objective of the Local Centre zone in the Draft LEP Amendment Order is:

- To ensure that development is compatible with the amenity, character and scale of surrounding neighbourhoods.

Council staff consider that this objective will limit the use of this zone to areas that are not expected to undergo significant intensification or change. The application and flexibility of the proposed reforms would benefit if this objective was removed, or made optional.

In addition, to promote active and vibrant centres, it is suggested that an objective that support vibrant and active street frontages, similar to the objective within the E2 Commercial Centre zone.

1.2 SP4 Local Enterprise Zone

The introduction of the new SP4 Local Enterprise zone will facilitate improved strategic planning outcomes in unique areas, such as the Cockle Creek precinct within the North West Catalyst Area. LMCC staff are highly supportive of the proposed zone and are eager to work closely with the Department in the development of the supporting framework and guidelines being prepared in support of the new zone.

2 Definitions

The introduction of new definitions to support the circular economy, creative economy, and data centres are viewed as a positive change to the system that to benefit existing and emerging industries.

In addition, the proposed updates to the *business premise*, *industrial retail outlets*, *kiosk*, and *local distribution centres*, *neighbourhood shop*, and *warehouse or distribution centre* to improve clarity and remove outdated references is supported.

The proposed amendment to the crematorium definition with the introduction of a specific process of cremation (alkaline hydrolysis) is potentially limiting. Council staff suggest that the definition should make a broader reference to any other approved process under the relevant legislation.

To increase certainty and reduce compliance conflicts, it is suggested that the *creative industry* definition include a reference that ensures that the use is clearly delineated from a *home business* or *home industry*. This would ensure new or growing creative businesses are not unnecessarily encouraged to relocate from home-based operations.

Lake Macquarie Council staff recommend that further refinement to the *shop top housing* definition would be beneficial. While the introduction of additional uses including *health services facilities* and *commercial premises* is supported, there is an opportunity to increase flexibility, economic activity, and urban design outcomes by permitting additional uses to the definition. Council's preference is to extend the definition to include any other permitted use with an **active frontage**. This would enable other permissible uses that meet the criteria, such as *indoor recreation centre*, or *community facility* to provide the non-residential use within the development, whilst having the desirable effect of creating vibrant centres.

3 Implementation

Council staff are supportive of the proposed approach to the reform package as outlined within the draft Implementation Plan. Specifically, the use of a self-repealing SEPP to remove the need for councils to prepare detailed Planning Proposals. However, the draft Implementation Plan does not reference, or allow sufficient time for Council staff to engage with, and receive endorsement for the proposed changes the Local Environmental Plans. As the proposed reform is of strategic significance and will greatly impact on land-use planning and function of businesses, LMCC staff suggest that endorsement from the newly-elected Council prior to public exhibition is required.

Finally, while LMCC staff strongly support this, and other reforms within the Planning Reform Action Plan, there is concern with the growing implication for resource. Whilst it is recognised that the Department have made significant steps to minimising the impact to councils, assistance and or additional resources would be greatly welcomed. In particular, GIS resources and capability are viewed as a particular risk to completion of the project within the specified time-frames.

Should you require further information, please contact [REDACTED]
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Yours faithfully,

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